

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK**

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
v.)	Hon. Joanna Seybert
)	Hon. Michael Orenstein (MO)
)	
HICKS, MUSE, TATE & FURST INCORPORATED,)	Civil Action No. CV98-2422 (JS)
and)	
CAPSTAR BROADCASTING PARTNERS, INC.,)	Entered: August 17, 1998
and)	
SFX BROADCASTING, INC.,)	COUNSEL IS DIRECTED TO
)	IMMEDIATELY NOTIFY
Defendants.)	ALL PARTIES OF THIS
)	ORDER.

FINAL JUDGMENT

WHEREAS, plaintiff, the United States of America, filed its Complaint in this action on March 31, 1998, and plaintiff and defendants by their respective attorneys, having consented to the entry of this Final Judgment without trial or adjudication of any issue of fact or law herein, and without this Final Judgment constituting any evidence against or an admission by any party with respect to any issue of law or fact herein;

AND WHEREAS, defendants have agreed to be bound by the provisions of this Final Judgment pending its approval by the Court;

AND WHEREAS, the purpose of this Final Judgment is prompt and certain divestiture of certain assets to assure that competition is not substantially lessened;

AND WHEREAS, plaintiff requires defendants to make certain divestitures for the purpose of remedying the loss of competition alleged in the Complaint;

AND WHEREAS, defendants have represented to plaintiff that the divestiture ordered herein can and will be made and that defendants will later raise no claims of hardship or difficulty as grounds for asking the Court to modify any of the divestiture provisions contained below;

NOW, THEREFORE, before the taking of any testimony, and without trial or adjudication of any issue of fact or law herein, and upon consent of the parties hereto, it is hereby ORDERED, ADJUDGED, AND DECREED as follows:

I. JURISDICTION

This Court has jurisdiction over each of the parties hereto and over the subject matter of this action. The Complaint states a claim upon which relief may be granted against defendants Hicks, Muse, Tate & Furst Incorporated (Hicks Muse), Capstar Broadcasting Partners, Inc. (Capstar), and SFX Broadcasting, Inc. (SFX), as hereinafter defined, under Section 7 of the Clayton Act, as amended (15 U.S.C. § 18).

II. DEFINITIONS

As used in this Final Judgment:

A. “Capstar” means defendant Capstar Broadcasting Partners, Inc., a Delaware corporation with its headquarters in Austin, Texas, and includes its predecessors, successors and assigns, divisions, subsidiaries, companies, groups, partnerships and joint ventures that Capstar controls, directly or indirectly, and their directors, officers, managers, agents and representatives, and their respective successors and assigns.

B. “Chancellor” means Chancellor Media Corporation (successor in interest to Chancellor Media Company, Inc.), a Delaware corporation with its headquarters in Irving, Texas, and includes its predecessors, successors and assigns, divisions, subsidiaries, companies, groups, partnerships and joint ventures that Chancellor controls, directly or indirectly, and their directors, officers, managers, agents and representatives, and their respective successors and assigns.

C. “SFX” means defendant SFX Broadcasting, Inc., a Delaware corporation with its headquarters in New York, New York, and includes its predecessors, successors and assigns, divisions, subsidiaries, companies, groups, partnerships and joint ventures that SFX controls, directly or indirectly, and their directors, officers, managers, agents and representatives, and their respective successors and assigns.

D. “Hicks Muse” means Hicks, Muse, Tate & Furst Incorporated, an investment firm headquartered in Dallas, Texas, its domestic and foreign parents, predecessors, divisions, subsidiaries, partnerships and joint ventures that Hicks Muse controls, directly or indirectly, and all directors, officers, employees, agents and representatives of the foregoing.

E. “Greenville Assets” means all the assets, tangible or intangible, used respectively in the operation of the WESC 92.5 FM radio station in Greenville, South Carolina; the WESC 660 AM radio station in Greenville, South Carolina; the WJMZ 107.3 FM radio station in Anderson, South Carolina; and the WTPT 93.3 FM radio station in Forest City, North Carolina; including but not limited to: all real property (owned or leased) used in the operation of each station; all broadcast equipment, personal property, inventory, office furniture, fixed assets and fixtures, materials, supplies and other tangible property or improvements used in the

operation of each station; all licenses, permits and authorizations and applications therefor issued by the Federal Communications Commission (“FCC”) and other governmental agencies relating to that station; all contracts, agreements, leases and commitments of defendants pertaining to that station and its operations; all trademarks, service marks, trade names, copyrights, patents, slogans, programming materials and promotional materials relating to that station; and all logs and other records maintained by defendants or that station in connection with its business.

F. “Houston Assets” means all of the assets, tangible or intangible, used in the operation of the KKPN 102.9 FM radio station in Houston, Texas, including but not limited to: all real property (owned or leased) used in the operation of that station; all broadcast equipment, personal property, inventory, office furniture, fixed assets and fixtures, materials, supplies and other tangible property or improvements used in the operation of that station; all licenses, permits and authorizations and applications therefor issued by the FCC and other governmental agencies relating to that station; all contracts, agreements, leases and commitments of defendants pertaining to that station and its operations; all trademarks, service marks, trade names, copyrights, patents, slogans, programming materials and promotional materials relating to that station; and all logs and other records maintained by defendants or that station in connection with its business.

G. “Jackson Assets” means all of the assets, tangible or intangible, used in the operation of the WJDX 96.3 FM radio station in Jackson, Mississippi, including but not limited to all real property (owned or leased) used in the operation of that station; all broadcast equipment, personal property, inventory, office furniture, fixed assets and fixtures, materials, supplies and other tangible property or improvements used in the operation of that station; all

licenses, permits and authorizations and applications therefor issued by the FCC and other governmental agencies relating to that station; all contracts, agreements, leases and commitments of defendants pertaining to that station and its operations; all trademarks, service marks, trade names, copyrights, patents, slogans, programming materials and promotional materials relating to that station; and all logs and other records maintained by defendants or that station in connection with its business.

H. “Pittsburgh Assets” means all of the assets, tangible or intangible, used in the operation of the WTAE 1250 AM radio station in Pittsburgh, Pennsylvania, including but not limited to: all real property (owned or leased) used in the operation of that station; all broadcast equipment, personal property, inventory, office furniture, fixed assets and fixtures, materials, supplies and other tangible property or improvements used in the operation of that station; all licenses, permits and authorizations and applications therefor issued by the FCC and other governmental agencies relating to that station; all contracts, agreements, leases and commitments of defendants pertaining to that station and its operations; all trademarks, service marks, trade names, copyrights, patents, slogans, programming materials and promotional materials relating to that station; and all logs and other records maintained by defendants or that station in connection with its business.

I. “The SFX Long Island Assets” means all of the assets, tangible or intangible, used in the operation of the WBLI 106.1 FM radio station in Patchogue, Long Island, New York; the WBAB 102.3 FM radio station in Babylon, Long Island, New York; the WHFM 95.3 FM radio station in Southampton, Long Island, New York; and the WGBB 1240 AM radio station in Freeport, New York; including but not limited to: all real property (owned or leased)

used in the operation of each station; all broadcast equipment, personal property, inventory, office furniture, fixed assets and fixtures, materials, supplies and other tangible property or improvements used in the operation of each station; all licenses, permits and authorizations, and applications therefor issued by the FCC and other governmental agencies relating to each station; all contracts, agreements, leases and commitments of defendants pertaining to each station and its operations; all trademarks, service marks, trade names, copyrights, patents, slogans, programming materials and promotional materials relating to each station; and all logs and other records maintained by defendants or each station in connection with its business.

J. “Greenville Area” means the Greenville-Spartanburg, South Carolina area, as identified by the Spring 1997 Arbitron Radio Market Report for Greenville-Spartanburg.

K. “Houston Area” means the Houston, Texas area, as identified by the Spring 1997 Arbitron Radio Market Report for Houston, Texas.

L. “Jackson Area” means the Jackson, Mississippi area, as identified by the Spring 1997 Arbitron Radio Market Report For Jackson, Mississippi.

M. “Pittsburgh Area” means the Pittsburgh, Pennsylvania area, as identified by the Spring 1997 Arbitron Radio Market Report for Pittsburgh, Pennsylvania.

N. “Suffolk Area” means the Nassau-Suffolk area, as identified by the Spring 1997 Arbitron Radio Market Report for Nassau and Suffolk Counties in New York.

O. “Hicks Muse Radio Station” means any radio station owned, operated, or controlled by Chancellor, Capstar, SFX or Hicks Muse and licensed to a community in the Greenville, Houston, Jackson or Pittsburgh areas, or broadcasting from a transmitter site located in the Nassau-Suffolk Area.

P. “Non-Hicks Muse Radio Station” means any radio station that is licensed to a community in the Greenville, Houston, Jackson or Pittsburgh Areas, or broadcasting from a transmitter site located in the Nassau-Suffolk Area, and is not a Hicks Muse Radio Station.

Q. “Acquirer” means the entity or entities to whom defendants divest the Greenville Assets, the Houston Assets, the Jackson Assets, the Pittsburgh Assets, or the SFX Long Island Assets under this Final Judgment.

R. “LMA” means the Local Marketing Agreement that Chancellor and SFX entered into on or about July 1, 1996, as part of their July 1, 1996 asset exchange agreement whereby SFX agreed to exchange its four Long Island-based radio stations for Chancellor’s two Jacksonville, Florida radio stations and an additional \$11 million.

III. APPLICABILITY

A. The provisions of this Final Judgment apply to each of the defendants, their successors and assigns, subsidiaries, their directors, officers, managers, agents and employees, and all other persons in active concert or participation with any of them who shall have received actual notice of this Final Judgment by personal service or otherwise.

B. Defendants shall require, as a condition of the sale or other disposition of all or substantially all of the assets used in their business of owning and operating radio stations in the Greenville area, the Houston area, the Jackson area, the Pittsburgh area or the Nassau-Suffolk area, that the respective acquiring party or parties agree to be bound, as a successor or assign, by the provisions of this Final Judgment, provided, however, that defendants need not obtain such an agreement from an Acquirer.

C. The term “sale or other disposition” used in paragraph (B) of this

Section shall include in whole or in part, without limitation, any agreement (such as Local Marketing Agreement or Joint Sales Agreement) pursuant to which another entity has the right to operate, program or sell advertising time on a radio station in the relevant Area.

IV. DIVESTITURES

A. Hicks Muse and Capstar are hereby ordered and directed, in accordance with the terms of this Final Judgment, within six (6) months after the filing of the complaint in this action, or within five (5) business days after notice of entry of this final judgment, whichever is later, to divest the Greenville Assets, the Houston Assets, the Jackson Assets, and the Pittsburgh Assets to one or more Acquirers acceptable to plaintiff in its sole discretion.

B. Hicks Muse and Capstar are hereby ordered and directed, in accordance with the terms of this Final Judgment, within three (3) months after the filing of the complaint in this action, or within five (5) business days after notice of entry of this final judgment, whichever is later, to divest the SFX Long Island Assets to one or more Acquirers acceptable to plaintiff in its sole discretion.

C. Defendants shall use their best efforts to divest the Greenville Assets, the Houston Assets, the Jackson Assets, the Pittsburgh Assets, and the SFX Long Island Assets, and to obtain all regulatory approvals necessary for such divestitures, as expeditiously as possible. Plaintiff, in its sole discretion, may extend the time period for the divestiture for two (2) additional thirty (30)-day periods of time, not to exceed sixty (60) calendar days in total.

D. In accomplishing the divestitures ordered by this Final Judgment, defendants promptly shall make known, by usual and customary means, the availability for sale of the

Greenville Assets, the Houston Assets, the Jackson Assets, the Pittsburgh Assets, and the SFX Long Island Assets. Defendants shall inform any person making an inquiry regarding a possible purchase that the sale is being made pursuant to this Final Judgment and provide such person with a copy of this Final Judgment. Defendants shall also offer to furnish to all prospective purchasers, subject to customary confidentiality assurances, all information regarding the Greenville Assets, the Houston Assets, the Jackson Assets, the Pittsburgh Assets, and the SFX Long Island Assets customarily provided in a due diligence process, except such information subject to attorney-client privilege or attorney work-product privilege. Defendants shall make available such information to plaintiff at the same time that such information is made available to any other person.

E. Defendants shall permit prospective purchasers of the Greenville Assets, the Houston Assets, the Jackson Assets, the Pittsburgh Assets, and the SFX Long Island Assets to have access to personnel and to make such inspection of the assets, and any and all financial, operational or other documents and information customarily provided as part of a due diligence process.

F. Unless plaintiff otherwise consents in writing, the divestitures pursuant to Section IV of this Final Judgment, or by the trustee appointed pursuant to Section V, shall include all the Greenville Assets, Houston Assets, Jackson Assets, Pittsburgh Assets, and SFX Long Island Assets, and shall be accomplished in such a way as to satisfy plaintiff, in its sole discretion, that the Greenville Assets, the Houston Assets, the Jackson Assets, the Pittsburgh Assets, and the SFX Long Island Assets can and will be used by an Acquirer or Acquirers as viable, ongoing commercial radio businesses. The divestiture, whether pursuant to Sections IV or V of this

Final Judgment, shall be made (I) to an Acquirer or Acquirers that in plaintiff's sole discretion, has or have the capability and intent of competing effectively, and has or have the managerial, operational and financial capability to compete effectively as radio stations operators in the Greenville, Houston, Jackson, Pittsburgh or Nassau-Suffolk Areas, as the case may be, and intends in good faith to continue the operations of the radio stations as were in effect in the period immediately prior to the filing of the complaint in this action (unless any significant change in the operations planned by the acquirer is accepted by the plaintiff in its sole discretion); and (ii) pursuant to agreements the terms of which shall not, in the sole judgment of plaintiff, interfere with or otherwise diminish the ability of the purchaser(s) to compete effectively against defendants.

G. Defendants shall not interfere with any efforts by any Acquirer or Acquirers to employ the general manager or any other person working at any of the Greenville, Houston, Jackson, Pittsburgh, or SFX Long Island Assets.

V. APPOINTMENT OF TRUSTEE

A. In the event that defendants have not divested the Greenville Assets, the Houston Assets, the Jackson Assets, the Pittsburgh Assets, or the SFX Long Island Assets within the time specified in Section IV of this Final Judgment, the Court shall appoint, on application of the United States, a trustee selected by plaintiff to effect the divestiture of the Greenville Assets, the Houston Assets, the Jackson Assets, the Pittsburgh Assets, or the SFX Long Island Assets.

B. After the appointment of a trustee becomes effective, only the trustee shall have

C. the right to sell the Greenville Assets, the Houston Assets, the Jackson Assets, the Pittsburgh

Assets, or the SFX Long Island Assets described in Section II of this Final Judgment. The trustee shall have the power and authority to accomplish the divestiture at the best price then obtainable upon a reasonable effort by the trustee, subject to the provisions of Sections IV and VI of this Final Judgment, and shall have such other powers as the Court shall deem appropriate. Subject to Section V(C) of this Final Judgment, the trustee shall have the power and authority to hire at cost and expense of defendants any investment bankers, attorneys, or other agents reasonably necessary in the judgment of the trustee to assist in the divestiture, and such professionals and agents shall be accountable solely to the trustee. The trustee shall have the power and authority to accomplish the divestiture at the earliest possible time to a purchaser acceptable to the plaintiff, and shall have such other powers as this Court shall deem appropriate. Defendants shall not object to a sale by the trustee on any grounds other than the trustee's malfeasance. Any such objections by defendants must be conveyed in writing to plaintiff and the trustee within ten (10) calendar days after the trustee has provided the notice required under Section VII of this Final Judgment.

D. The trustee shall serve at the cost and expense of defendants, on such terms and conditions as the Court may prescribe, and shall account for all monies derived from the sale of the assets sold by the trustee and all costs and expenses so incurred. After approval by the Court of the trustee's accounting, including fees for its services and those of any professionals and agents retained by the trustee, all remaining money shall be paid to defendants and the trust shall then be terminated. The compensation of such trustee and of any professionals and agents retained by the trustee shall be reasonable in light of the value of the divested assets and based on a fee arrangement providing the trustee with an incentive based on the price and terms of the

divestiture and the speed with which it is accomplished.

E. Defendants shall use their best efforts to assist the trustee in accomplishing the required divestiture, including best efforts to effect all necessary regulatory approvals. The trustee and any consultants, accountants, attorneys, and other persons retained by the trustee shall have full and complete access to the personnel, books, records, and facilities of the assets to be divested, and defendants shall develop financial or other information relevant to the assets to be divested customarily provided in a due diligence process as the trustee may reasonably request, subject to customary confidentiality assurances. Defendants shall permit prospective acquirers of the assets to have reasonable access to personnel and to make such inspection of physical facilities and any and all financial, operational or other documents and other information as may be relevant to the divestiture required by this Final Judgment.

F. After its appointment, the trustee shall file monthly reports with the parties and the Court setting forth the trustee's efforts to accomplish the divestiture ordered under this Final Judgment; provided, however, that to the extent such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the court. Such reports shall include the name, address and telephone number of each person who, during the preceding month, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the assets to be divested, and shall describe in detail each contact with any such person during that period. The trustee shall maintain full records of all efforts made to divest the assets to be divested.

G. If the trustee has not accomplished such divestiture within six (6) months after its

H. appointment, the trustee thereupon shall file promptly with the Court a report setting forth

(1)

the trustee's efforts to accomplish the required divestitures, (2) the reasons, in the trustee's judgment why the required divestitures have not been accomplished, and (3) the trustee's recommendations; provided, however, that to the extent such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the Court. The trustee shall at the same time furnish such report to the parties, who shall each have the right to be heard and to make additional recommendations consistent with the purpose of the trust. The Court shall enter thereafter such orders as it shall deem appropriate in order to carry out the purpose of the trust which may, if necessary, include extending the trust and the term of the trustee's appointment by a period requested by plaintiff.

VI. PRESERVATION OF ASSETS

Until the divestitures of the Greenville Assets, the Houston Assets, the Jackson Assets, the Pittsburgh Assets and the SFX Long Island Assets, as required by Section IV of the Final Judgment, have been accomplished:

A. Prior to the consummation of Capstar's acquisition of SFX, defendants shall maintain the independence of their respective radio station operations in the Areas, and following the consummation of Capstar's acquisition of SFX, defendants shall take all steps necessary to operate the Greenville Assets, the Houston Assets, the Jackson Assets, and the Pittsburgh Assets as separate, independent, ongoing, economically viable and active competitors to defendants' other stations in the Greenville, Houston, Jackson, or Pittsburgh Areas, respectively, and shall take all steps necessary to insure that, except as necessary to comply with Section IV and paragraphs B and C of this Section of the Final Judgment, the management of

said Assets, including the performance of decision-making functions regarding marketing and pricing, will be kept separate and apart from, and not influenced by, defendants.

B. Defendants shall use all reasonable efforts to maintain and increase sales of advertising time by the Greenville, Houston, Jackson, and Pittsburgh Areas, and shall maintain at 1997 or previously approved levels for 1998, whichever are higher, promotional advertising, sales, marketing and merchandising support for said stations.

C. Defendants shall take all steps necessary to ensure that the assets used in the operation of the Greenville, Houston, Jackson, and Pittsburgh Assets, are fully maintained. Sales and marketing employees shall not be transferred or reassigned to any other station, except for transfer bids initiated by employees pursuant to defendants' regular, established job posting policies, provided that defendants give plaintiff and Acquirer ten (10) days' notice of any such transfer.

D. Defendants shall use their best efforts, consistent with their rights and obligations under the LMA, to cause the SFX Long Island Assets to be operated in a manner consistent with the obligations in paragraphs B and C of this Section; provided, however, that, in the event the LMA is terminated, paragraphs A, B and C of this Section shall apply fully to the operation of the SFX Long Island Assets by or on behalf of defendants.

E. Defendants shall not, except as part of a divestiture approved by plaintiff, in its sole discretion, or a transfer to a trust approved by the FCC, also approved by plaintiff, in its sole discretion, sell any Greenville Assets, Houston Assets, Jackson Assets, Pittsburgh Assets or SFX Long Island Assets.

F. Defendants shall take no action that would jeopardize the sale of the Greenville

Assets, the Houston Assets, the Jackson Assets, the Pittsburgh Assets, or the SFX Long Island Assets.

G. Defendants shall appoint a person or persons to oversee the Assets to be held separate and who will be responsible for defendants' compliance with Section VI of this Final Judgment.

VII. NOTIFICATION

Within two (2) business days following execution of a definitive agreement, contingent upon compliance with the terms of this Final Judgment, to effect, in whole or in part, any proposed divestitures pursuant to Sections IV or V of this Final Judgment, defendants or the trustee, whichever is then responsible for effecting the divestitures, shall notify plaintiff of the proposed divestitures. If the trustee is responsible, it shall similarly notify defendants. The notice shall set forth the details of the proposed transaction and list the name, address and telephone number of each person not previously identified who offered to, or expressed an interest in or a desire to, acquire any ownership interest in the Greenville Assets, the Houston Assets, the Jackson Assets, the Pittsburgh Assets, or the SFX Long Island Assets, as the case may be, together with full details of same. Within fifteen (15) calendar days of receipt by plaintiff of such notice, plaintiff may request from defendants, the proposed purchaser or purchasers, or any other third party, additional information concerning the proposed divestitures and the proposed purchaser. Defendants and the trustee shall furnish any additional information requested from them within fifteen (15) calendar days of the receipt of the request, unless the parties shall otherwise agree. Within thirty (30) calendar days after receipt of the notice or within twenty (20) calendar days after plaintiff has been provided the additional information

requested from defendants, the proposed purchaser or purchasers, and any third party, whichever is later, plaintiff shall provide written notice to defendants and the trustee, if there is one, stating whether or not it objects to the proposed divestiture. If plaintiff provides written notice to defendants and the trustee that it does not object, then the divestiture may be consummated, subject only to defendants' limited right to object to the sale under Section V(B) of this Final Judgment. Absent written notice that plaintiff does not object to the proposed purchaser or upon objection by the plaintiff, a divestiture proposed under Section IV or V may not be consummated. Upon objection by defendants under the provision in Section V(B), a divestiture proposed under Section V shall not be consummated unless approved by the Court.

VIII. FINANCING

Defendants are ordered and directed not to finance all or any part of any purchase by an Acquirer made pursuant to Sections IV or V of this Final Judgment, without the prior written consent of plaintiff.

IX. AFFIDAVITS

A. Within twenty (20) calendar days of the filing of this Final Judgment and every thirty (30) calendar days thereafter until the divestitures have been completed whether pursuant to Section IV or Section V of this Final Judgment, defendants shall deliver to plaintiff an affidavit as to the fact and manner of their compliance with Sections IV or V of this Final Judgment. Each such affidavit shall include, inter alia, the name, address and telephone number of each person who, at any time after the period covered by the last such report, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the Greenville Assets, the Houston Assets, the

Jackson Assets, the Pittsburgh Assets, and the SFX Long Island Assets, and shall describe in detail each contact with any such person during that period. Each such affidavit shall also include a description of the efforts that defendants have taken to solicit a buyer or buyers for the Greenville Assets, the Houston Assets, the Jackson Assets, the Pittsburgh Assets, or the SFX Long Island Assets, as the case may be.

B. Within twenty (20) calendar days of the filing of the complaint in this action, defendants shall deliver to plaintiff an affidavit which describes in reasonable detail all actions defendants have taken and all steps defendants have implemented on an on-going basis to preserve Greenville, Houston, Jackson, and Pittsburgh Assets, and the SFX Long Island Assets, pursuant to Section VI of this Final Judgment. Defendants shall deliver to plaintiff an affidavit describing any changes to the efforts and actions outlined in their earlier affidavit(s) filed pursuant to this Section within fifteen (15) calendar days after such change is implemented.

C. Defendants shall preserve all records of efforts made to preserve the assets to be divested and effect the divestitures.

X. NOTICE

A. Unless such transaction is otherwise subject to the reporting and waiting period requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, 15 U.S.C. § 18a (the “HSR Act”), defendants, without providing advance notification to the plaintiff, shall not directly or indirectly acquire any assets of or any interest, including any financial, security, loan, equity or management interest, in any Non-Hicks Muse Radio Station, or would transfer the power to market or sell advertising time or to establish advertising prices for Hicks Muse Radio Stations in an Area to any other owner or operator of Non-Hick Muse Radio

Station.

B. Defendants, without providing advance notification to the plaintiff, shall not directly or indirectly enter into any agreement or understanding (including a Local Marketing Agreement (“LMA”) or Joint Sales Agreement (“JSA”), that would allow defendants to market or sell advertising time or to establish advertising prices for any Non-Hicks Muse Radio Station.

C. The notification obligations required by paragraphs (A), (B), o (E) of this Section X shall not apply to defendants with respect to an Area at such time as there are no Hicks Muse Radio stations in that Area, provided that the provisions of Section III have been complied with.

D. Notification described in Section X (A) and (B) or (E) shall be provided to the United States Department of Justice in the same format as, and per the instructions relating to the Notification and Report Form set forth in the Appendix to Part 803 of Title 16 of the Code of Federal Regulations as amended, except that the information requested in Items 5-9 of the instructions must be provided only with respect to radio stations owned or operated by defendants in the Area or Areas in which the notifiable transaction takes place. Notification shall be provided at least thirty (30) days prior to acquiring any such interest covered in (A) or (B) above, and shall include, beyond what may be required by the applicable instructions, the names of the principal representatives of the parties to the agreement who negotiated the agreement, and any management or strategic plans discussing the proposed transaction. If within the 30-day period after notification, representatives of the Department make a written request for additional information, defendants shall not consummate the proposed transaction or agreement until twenty (20) days after submitting all such additional information. Early termination of the waiting

periods in this paragraph may be requested and, where appropriate, granted in the same manner as is applicable under the requirements and provisions of the HSR Act and rules promulgated thereunder.

E. Hicks Muse shall notify plaintiff in writing (or arrange for Chancellor to provide such notification) ten (10) days prior to (i) consummation of any direct or indirect acquisition of a Non-Hicks Muse Radio Station by Chancellor, or (ii) entry into force of any agreement or understanding (including an LMA or JSA), that would allow Chancellor to market or sell advertising time or to establish advertising prices for any Non-Hicks Muse Radio Station.

F. This Section shall be broadly construed and any ambiguity or uncertainty regarding the filing of notice under this Section shall be resolved in favor of filing notice.

XI. COMPLIANCE INSPECTION

For the purpose of determining or securing compliance with the Final Judgment and subject to any legally recognized privilege, from time to time:

A. Duly authorized representatives of the United States Department of Justice, including consultants and other persons retained by the plaintiff, upon written request of the Attorney General, or the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to defendants made to their principal offices, shall be permitted:

- (1) Access during office hours of defendants to inspect and copy all books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession or under the control of defendants, who may have counsel present, relating to the matters contained in this Final Judgment; and
- (2) Subject to the reasonable conveniences of defendants and without restraint or

interference from them, to interview, either informally or on the record, directors, officers, employees and agents of defendants, who may have counsel present, regarding any such matters.

B. Upon the written request of the Attorney General, or of the Assistant Attorney General in charge of the Antitrust Division, made to defendants' principal offices, defendants shall submit such written reports, under oath if requested, with respect to any of the matters contained in the Final Judgment as may be requested.

C. No information or documents obtained by the means provided in Section IX or this Section XI shall be divulged by any representative of plaintiff to any person other than a duly authorized representative of the Executive Branch of the United States, except in the course of legal proceedings to which plaintiff is a party (including grand jury proceedings), or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

D. If at the time information or documents are furnished by either defendant to plaintiff, and such defendant represents and identifies in writing the material in any such information or documents to which a claim of protection may be asserted under Rule 26(c)(7) of the Federal Rules of Civil Procedure, and such defendant marks each pertinent page of such material, "Subject to claim of protection under Rule 26(c)(7) of the Federal Rules of Civil Procedure," then ten (10) calendar days notice shall be given by plaintiff to such defendant prior to divulging such material in any legal proceeding (other than a grand jury proceeding) to which such defendant is not a party.

XII. RETENTION OF JURISDICTION

Jurisdiction is retained by this Court for the purpose of enabling any of the parties to this Final

Judgment to apply to this Court at any time for such further orders and directions as may be necessary or appropriate for the construction or carrying out of this Final Judgment, for the modification of any of the provisions hereof, for the enforcement of compliance herewith, and for the punishment of any violations hereof.

XIII. TERMINATION

Unless this Court grants an extension, this Final Judgment will expire upon the tenth anniversary of the date of its entry.

XIV. PUBLIC INTEREST

Entry of this Final Judgment is in the public interest.

Dated: August 17, 1998

_____/s/_____
United States District Judge